



USAID
FROM THE AMERICAN PEOPLE

COMPETE
The Competitiveness and Trade Expansion Program

Key Message:

Enhancing economic growth and food security in East and Central Africa.

Funding Level:

\$84 million which includes a \$24.6 million Partnership Fund

Duration:

February 11, 2009 – March 1, 2013

Geographic Location:

Burundi, Central African Republic, Comoros, Democratic Republic of Congo, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, the Seychelles, Somalia, Sudan, Tanzania, Uganda, and Zambia

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COMPETE

OVERVIEW

The high cost of transport is one of the key barriers to trade on the African continent. Inefficiencies along trade and transport corridors in Eastern and Central Africa hinder trade and make it a challenge for these countries to be effective players in regional trade and in the global marketplace. USAID through the COMPETE program takes an integrated approach to addressing the issues of advancing trade and economic growth and ensuring food security in the region. COMPETE works with regional partners such as the Common Market for Southern and Eastern Africa (COMESA) and the East African Community (EAC) to implement innovative solutions remove red tape, raise quality and production standards and work in partnership regional trade associations and local producers so that they can be more competitive in the global marketplace.

COMPONENTS

- **Reducing Barriers to Trade**

COMPETE has adopted a holistic approach to addressing transit transport constraints focusing transport logistics solutions along the entire transit transport chain.

COMPETE is promoting innovative solutions such as customs automation, cargo tracking systems, single window clearance systems, and adoption of regional transit facilitation tools such as the Regional Customs Transit Guarantee.

COMPETE is working through regional trade associations and lead firms to build the private sector's capacity to advocate for an improved policy and trade environment. The program will provide technical assistance to the EAC and COMESA to increase private sector participation in the policy reform process.



Trucks lined up at the Malaba border crossing on the Uganda-Kenya border. Harmonized customs clearance procedures will help reduce border congestion.

Component Team Leaders:

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Global Business Solutions

Integrated Development Consultants

PRIME International

Developing Value Chains

While it is important to remove barriers to trade in East and Central Africa, there are opportunities to increase competitiveness in specific value chains. COMPETE works with firms and regional trade associations such as the East African Grain Council, the East African Fine Coffees Association and the African Cotton and Textile Industries Federation, to improve production capacity and quality standards.

With support through the U.S. Initiative to End Hunger in Africa (IHEA), COMPETE is working to reduce poverty by increasing small holder farmers access to commercial staple foods markets.



Stephen Walls / RATES

Improving smallholder farmers' access to markets is key to enhancing food security in the region.

East and Central African (ECA) Trade Hub

Through the African Global Competitiveness Initiative (AGCI), COMPETE is maintaining the ECA Trade Hub and Nairobi-based African Growth and Opportunity Act (AGOA) Service Center. The Hub is providing technical assistance to African firms and governments to enhance their competitiveness globally and assisting these firms to take better advantage of opportunities available under AGOA and other international trade.

PROGRAM TARGETS

COMPETE has an ambitious agenda for the next four years. Even with the global economic downturn, there are targets of opportunity to increase competitiveness and trade. Indicative targets for COMPETE include:

- A 30% increase in both value and volume of international trade and of intra-regional (COMESA) trade for targeted value chains and a 20% increase in market share.
- A 15% reduction in the time and cost of transporting goods through targeted points along selected transport corridors.